

Realty Trust Review

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MARKET REVIEW AND STATISTICAL ISSUE

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MARKET REVIEW: PLUMMETING SHARE PRICES LENGTHEN TIME FOR REIT RECOVERY

REIT share prices weakened further last month and now have plummeted over 59%, as measured by the Audit Investment Research (formerly Paine Webber) Index since credit market conditions worsened dramatically in March. The average REIT share now is selling 60% below book value, effectively shutting off the capital markets for nearly all REITs and stretching recovery time for the REITs which will survive this unprecedented credit crunch.

Estimating the recovery time you may expect must take into account several key factors:

1. Short-term money market conditions. The prime rate has held at 12% for months now and accession of President Ford has heightened the feeling that the inflation fight will proceed with some real vigor in Washington. Federal Reserve Chairman Arthur Burns is an old and trusted adviser of Ford and can be expected to press his case for tougher anti-inflation actions. Burns talks of two more years of credit stringency, a span which may be ideal economically but which is probably unrealistic politically because it would stretch the credit crunch well into the 1976 Presidential election. Housing and real estate financing, already strung out, can't stand anything like two more years of crunch; housing economists put the jobless rate at over 10% in construction already and believe continued stringency will increase this enough to drive the U.S. jobless rate to 7% without weakening in any other sector of the economy. One possibility is that the economy will weaken dramatically in coming months, taking much of the pressure out of the short-term money market and allowing short-term rates to ease. We don't think you should expect this, however, because of underlying strengths in many sectors. Our conclusion: don't look for any sudden easing of credit; this indicates continued bearish pressure on REIT shares.

2. REIT industry conditions. Liquidity has never been worse in the industry. Many builders complain of foot-dragging by REITs in processing construction loan draw requests under commitments. A few REITs have already had to pick up standby and gap commitments they never expected to fund and for which they have already collected fees. More of this will happen if credit remains tight.

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Non-earning loans, which we now estimate at about \$1.5 billion announced, are approaching 10% of industry invested assets. Some argue that only current income is lost while principal is secure. Loss of income however can be drastic for REIT shareholders and more problem properties are being refinanced with cut-rate loans which indeed preserve principal but sacrifice long-term interest income. The important point is these loans cannot really be cleaned up with any speed as long as credit remains tight. Condominium and house buyers cannot obtain permanent mortgages to close their sales and, worse, some cannot even find financing to sell their existing homes to move into new ones. Apartment renters, squeezed by inflation, cannot pay the rents that today's construction costs demand. Office space is in surfeit in most cities (San Francisco appears an exception) and demand for space won't pick up until the economy does. Even retail and shopping center space is getting sticky in many areas, partly due to over-storing, partly due to retailer bankruptcies (there are seven large discount organizations in bankruptcy now), and partly due to high rents which prevent many small retailers from occupying the mall stores which are the cream of shopping centers.

3. Bank lending restrictions. The massive runoff of about \$3½ billion in REIT commercial paper this spring and summer and substitution of commercial bank loans has brought with it a major series of restrictions on REITs. The favorite bank tactic so far has been to convert these open lines of credit into formal revolving and term loan agreements which in too many instances will effectively prevent the REITs involved from continuing as going businesses. These restrictions mainly are: 1) no dividend payments except out of audited earnings at year-end, ending quarterly payouts for some REITs; 2) moratorium on all new commitments, and 3) lower leverage ratios. The end of quarterly dividends for some REITs effectively robs these shares of any further investor appeal as income securities and probably is fatal to any recovery for shares so restricted. Trusts accepting year-end dividend restrictions so far are: Citizens Growth Properties, Fidelity Mtg. Inv., First Mtg. Inv., Hamilton Inv. Trust, NJB Prime Inv. and Unionamerica M&E, Republic Mtg. Inv. and Builders Inv. Group after the current fiscal year. Dominion Mtg. and First Virginia Mtg. have gone to annual dividend payouts voluntarily.

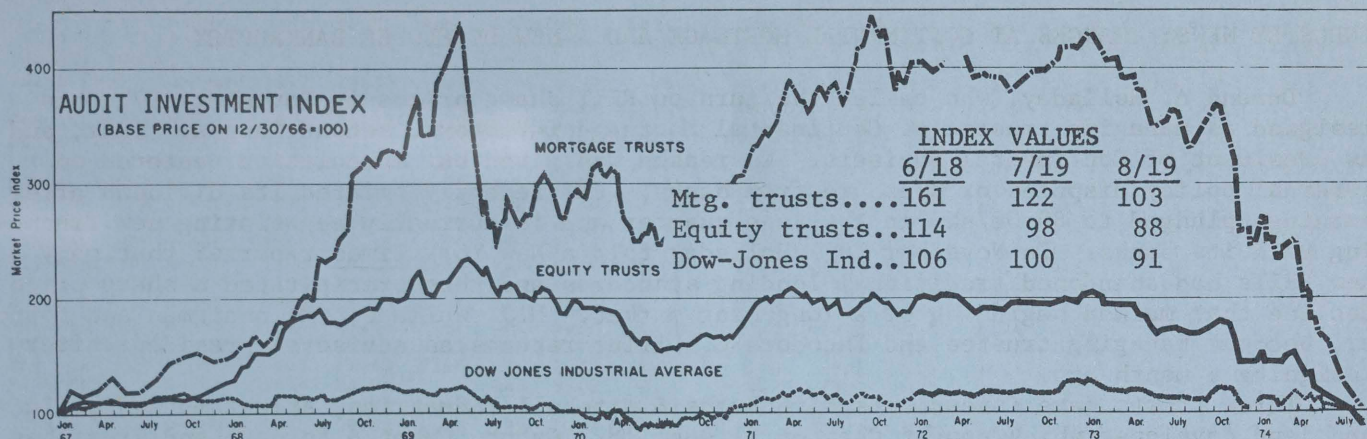
Many trusts are limiting new commitments voluntarily too, either because of fund shortages or because most good-quality loans are unprofitable at today's interest spreads. Limits on new commitments carry the potential that good loans will be repaid while marginal and problem loans remain, in effect lengthening recovery.

4. Conversion and survivability. This week Palomar Mortgage Investors said it would ask shareholders Oct. 1 to switch out of REIT status for fiscal 1974 and 1975 (ending Nov.) so it could form a subsidiary to hold, develop and sell properties it acquires through foreclosure, actions the trust cannot take without losing its REIT status. Fidelity Mortgage Investors also will ask shareholders to take similar action in October, citing the same restrictions. Palomar has 38% of loans in non-earning status and Fidelity is over 40%. Several other trusts with similar other massive loan problems are believed

COMPARATIVE TRUST GROUP AVERAGES 08/21/74

GROUP	N	SHARE (000)	BOOK VALUE	ANN DIV	EARN ANN	LAST PRICE	% CHNG MON	FROM-- AUG JAN 1	P/E RATIO	ANN YIELD	% PR TO BK	RETURN ON BK	MARKET VALUE
EQUITY TRUSTS	20	1920	12.67	1.00	1.09	7.97	-6.5	-20.7	7.3	12.5	-37.1	8.6	359.0
EQUITY AND MORTGAGE COMBIN	21	1591	14.24	0.96	1.07	6.44	-7.8	-37.9	6.0	14.8	-54.8	7.5	216.3
SUBORDINATED LAND TRUSTS	3	2689	17.81	1.91	1.89	7.38	-32.2	-58.0	3.9	25.8	-58.6	10.6	59.9
AVERAGE 3 EQUITY GROUPS	44	1816	13.77	1.04	1.14	7.20	-9.4	-32.8	6.3	14.4	-47.7	8.3	635.1
SHORT-TERM MTG-INDEPENDENT	6	6843	14.47	0.39	0.55	3.90	-17.5	-63.0	7.1	10.0	-73.1	3.8	86.2
SHORT-TERM MTG-MTG BANKER	24	1994	17.36	1.31	1.37	6.16	-18.5	-56.2	4.5	21.3	-64.5	7.9	302.3
SHORT-TERM MTG-COML BANK	17	2314	21.32	1.43	1.49	7.04	-17.4	-61.7	4.7	20.3	-67.0	7.0	298.8
SHORT-TERM-MISC FINCL	12	2848	18.97	1.53	1.75	6.09	-15.4	-58.9	3.5	25.5	-67.9	9.2	179.6
AVERAGE 4 SHORT-TERM GROUPS	59	2672	18.53	1.30	1.40	6.17	-17.5	-59.1	4.4	21.1	-66.7	7.5	866.9
INTERMEDIATE-TERM MORTGAGES	6	3395	18.59	1.43	1.31	6.25	-21.0	-53.9	4.8	22.9	-66.4	7.1	91.6
LONG-TERM MTG & EQUITIES	23	2864	18.81	1.36	1.37	7.11	-11.3	-48.7	5.2	19.1	-62.2	7.3	517.1
AVERAGE LONG & INTERMEDIATE	29	2974	18.76	1.37	1.36	6.93	-13.3	-49.8	5.1	19.8	-63.0	7.2	608.6
OVERALL AVERAGE	132	2453	17.08	1.23	1.30	6.68	-13.8	-50.0	5.1	18.4	-60.7	7.7	2110.7
DOW-JONES INDUSTRIAL AVERAGE					89.46	728.85	-8.6	-14.3	8.1	5.2			

*Latest quarter annualized.



to be considering the step and it is quite possible that coming months will see numerous other REITs convert to operating companies. One attraction is ability to preserve any tax-loss carryforwards for shareholders' benefit. The other is maneuverability in handling of acquired property. Thus it appears that many foreclosure-ridden trusts will survive not as REITs but as corporations. Conversion into active development corporations cannot be ruled out.

History is not sanguine on prospects for REITs converted to development companies, however. Southeastern Mortgage Investors encountered problems as a trust in 1966 and was converted into Universal Housing & Development Co. in 1970; shares originally sold for \$10 now trade at \$1. General Mortgage Investors hit problems in the 1970 credit crunch and was converted into Goodrich Realty and Development Group via an exchange of warrants and debentures for trust shares; Goodrich shares now trade at about \$1 on the Pacific Coast Exchange. Two other equity trusts left REIT status in the 1970-71 period, Kavanau Real Estate Trust and Prudent Resources. Kavanau has not re-qualified while Prudent did later re-qualify.

5. Recovery candidates. At this market juncture it is possible to identify those trusts with the best recovery prospects when money and real estate market conditions improve. Our list is very brief at this point:

Long-term mortgage: Connecticut General Mtg., Equitable Life Mtg., MassMutual Mtg., MONY Mtg. and Northwestern Mutual Life Mtg.

Short-term mortgage: Citizens & Southern Realty, Lomas & Nettleton Mtg., North American Mtg. and possibly Heitman Mortgage. Use extreme caution because high interest rates may reduce group earnings a minimum 15%-20% in September quarters.

Equity trusts: First Union RE, General Growth Properties, Washington REIT and possibly Continental Illinois Properties and BankAmerica Realty.

We would not rush to buy shares of any of these candidates because the overall stock market has shown no real signs of turning. The biggest part of the decline may have already occurred for most other REITs but Wednesday's market action of 46% and 35% falls for Beneficial Std. Mtg. and Guardian Mtg. respectively demonstrates the continuing downside potential. Guardian said it might have to defer dividends and Beneficial Std. reduced its payout 25%, the \$0.58 declaration including \$0.06 retained earnings. Caution is advised on all long positions at this juncture. The month's largest gainers and losers, best performers since Jan. 1, and those selling the farthest below book value are:

<u>Gainers</u>		<u>Losers</u>		<u>Gainers Since Jan. 1</u>		<u>% Below Book Value</u>	
Atlanta Nat.	+8.0%	CC&F Land	-53.6%	Denver REI	-2.0%	Independ. Mtg.	-91.2%
Hospital Mt.	+5.6	Nrthn.St.	-50.0	Cont.Ill.Prop.	-3.3	Lincoln Mtg.	-90.2
JMB Rlty.	+5.4	Hamilton	-49.9	Gen.Growth	-4.2	Nrthn.State	-87.6
Flatley Rly.	+5.0	Secur.Mtg.	-45.7	Riviere Rl.	-5.4	Mutual REIT	-87.2
Mtg.Tr.Amer.	+4.9	Barnett Mtg.	-45.6	New Plan Rly.	-6.1	HNC Mtg.&Rl.	-86.3
Amer. Flet.	+4.8	Colwell Mt.	-45.5	Miller(Hen.)	-9.1	Fidelity Mtg.	-85.9
Federal Rlt.	+3.3	HNC Mtg.	-45.0	U.S.Lsg. RE	-10.9	Hamilton Inv.	-85.8
Summit Prop.	+3.1	Bldrs. Inv.	-45.0	REIT Amer.	-12.7	Security Mtg.	-84.7
Hanover Sq.	+3.0	C.I.Mtg.Gr.	-38.1	Gould Inv.	-12.9	Palomar Mtg.	-84.0
Central Mtg.	+2.2	Grt.Amer.	-36.2	Federal Rlt.	-14.8	First Mtg.Inv.	-83.1

INDUSTRY NEWS: CHANGES AT CONTINENTAL MORTGAGE AND A NEW DEVELOPER BANKRUPTCY

Durand A. Holladay, who called the turn on REIT share prices in November 1971, has resigned as managing trustee of Continental Mortgage Investors, second largest trust, and as president of Continental Advisers. No reason was given but speculation centered on internal policy disputes or pressure from banks. CMI recently omitted its dividend after earnings plunged to \$0.02/sh. in the June quarter and is currently negotiating new financing with its banks. In November 1971 Holladay told a New York Times reporter that many new REITs had abandoned traditional lending standards and thus precipitated a sharp price decline that marked beginning of a long bear market. M.J. Wallace, CMI chairman and founder, becomes managing trustee and Theodore C. Miller returns as Advisers' president after resigning a month ago.

Three trusts have investments with Evans & Mitchell Industries, Atlanta-based builder and land developer which sought Chapter XI Aug. 18. Cabot, Cabot & Forbes Land Trust has \$10.6 million in two first mortgage land development loans on EMI's Indian Springs Estates about 20 miles from Tulsa and Sandestin at Destin, Fla. Non-accrual could reduce earnings about \$0.14/sh. per quarter. Citizens & Southern Realty Inv. holds \$5.6 million loans secured by two nearly completed condominium projects in Atlanta, land in Athens, Ga. and part of \$3.5 million working capital loans extended EMI in an April refinancing. Chase Manhattan Mtg. holds \$19.5 million in three loans; earnings exposure is \$0.15/sh./qtr.

Cabot, Cabot & Forbes Land Trust has abandoned its proposal of giving ICM holders a senior convertible bond for their shares; CC&F holders vote Aug. 29 on approving an offer of 0.75 CC&F share for each ICM share. CC&F's last quote was 6 5/8 before trading halted on the Evans & Mitchell bankruptcy; ICM closed Wednesday at 9 1/2. ICM is resisting the proposed merger through court action.

DIVIDEND TRENDS: CUTS AND OMISSIONS GATHER MOMENTUM

The throttling effect of high interest rates constricted payouts of all mortgage lending trusts. About the best that can be said is that a handful managed to maintain payments and a few others held up reasonably well. Not surprisingly, these consisted first of some equity trusts with little or no short-term borrowings. Washington REIT and GIT Realty were prominent in this category. Some equity combination trusts also fared relatively well. Indiana Mortgage was the stickout as the lone trust this month able to increase payment over the previous quarter. The 1-cent gain was facilitated by cash flow from its equity portfolio. Another equity combination, Investors Realty, matched its preceding quarter and topped last year. The longer term and land trust representatives, MONY Mortgage and Property Capital, were off only modestly, 10% and 11% respectively, from the preceding quarter. A few short-term trusts held up well, notably IDS Realty. IDS is unique in its large fixed-rate borrowing base, a tribute to its parent's exceptional financing capability. It's virtually alone in maintaining some portfolio growth although not without increasing risk. The interest rate pressure clobbered some equity trusts with some mortgage business, namely U.S. Realty and B.F. Saul. Annualized payouts fell 11% to a \$406.2 million annual rate. Our tally of declarations:

	Up	Same	Down	Total	% Chng.
-----From previous quarter-----					
August	1	9	25	35	-30.8%
Year	69	116	144	329	---
-----From previous year-----					
August	3	3	27	33	-42.7%
Year	113	31	174	318	---

	Record date	-Dividend Latest	per share Previous	--Net Change--	Extra	Year ago	% Change
		\$	\$	Amt. %		\$	
American Fletcher Mtg.	8/28	\$ 0.70	\$ 0.70	---	NC	\$ 0.70	NC
American Realty	Omitted	0.00	0.00	---	NC	0.30	-100.0
BT Mortgage	8/26	0.25	0.35	-10	-28.6	0.70	-64.3
Baird & Warner	Defered	---	---	---	---	---	---
BankAmerica Rlty	8/30	0.35	0.50	-15	-30.0	0.50	-30.0
Barnett Mtg.	8/6	0.18	0.71	-53	-74.7	0.67	-73.1
C.I. Realty	8/7	0.15	0.20	-05	-25.0	0.30	-50.0
Central Mtg.	8/7	0.48	0.57	-09	-15.8	0.48	NC
Chase Manhattan M&R	8/14	0.90	1.15	-25	-21.7	1.14	-21.1
Cleavetrust Rlty.	8/6	0.10	0.26	-16	-61.5	0.45	-77.8
Colwell Mtg.	Omitted	0.00	0.45	-45	-100.0	0.76	-100.0
Dominion Mtg.	8/26	0.228a	0.50	-272	-54.4	0.474	-51.5
Fidelity Mtg.	Omitted	0.00	0.00	---	NC	0.88	-100.0
First Pa. Mtg.	8/26	0.44	0.52	-08	-15.4	0.52	-15.4
First Va. Mtg.	8/16	0.30	0.42	-12	-28.6	0.62	-51.6
Florida Gulf Rlty.	9/6	0.32	0.40	-08	-20.0	0.39*	---
GIT Realty	7/18	0.30	0.30	---	NC	0.30	NC
Gould Investors	9/13	0.23	0.23	---	NC	0.225	+2.2
HMC Mtg.	8/30	0.10	0.35	-25	-71.4	0.54	-81.5
IDS Realty	8/31	0.84	0.84	---	NC	0.65	+29.2
Indiana Mtg.	8/12	0.44	0.43	+01	+2.3	0.43	+2.3
Investors Realty	8/20	0.30	0.30	---	NC	0.34	-11.8
Larwin Mtg.	Omitted	0.00	0.34	-34	-100.0	0.67	-100.0
Lomas & Nettleton Mtg.	8/8	0.85	1.00	-15	-15.0	0.96	-11.4
MONY Mtg.	8/30	0.18	0.20	-02	-10.0	0.225+	-20.0
Midland Mtg.	8/19	0.25	0.40	-15	-37.5	0.43	-41.9
New Plan Rlty	8/26	0.14H	0.14	---	NC	0.14	NC
Pacific Southern	9/3	0.25	0.25	---	NC	0.25*	---
Property Capital	8/30	0.31	0.35	-04	-11.4	0.41+	-24.4
Northern St. M&R	Omitted	0.00	0.20	-20	-100.0	0.25	-100.0
Realty Income	8/30	0.25	0.44	-19	-43.2	0.375	-33.3
Realty Refund	8/30	0.50	0.59	-09	-15.3	0.57	-12.3
Saul (B.F.) REIT	8/22	0.28	0.37	-09	-24.3	0.39	-28.2
Texas First Mtg.	8/9	0.12	0.51	-39	-76.5	0.55	-78.2
U.S. Realty	8/30	0.20	0.26	-06	-23.1	0.34	-41.2
Washington REIT	9/6	0.30	0.30	---	NC	0.30	NC
Wells Fargo Mtg.	8/9	0.20	0.50	-30	-60.0	0.54	-63.0
Totals (35 Trusts)b		\$10.298	\$14.89	-\$4.592	-30.8	\$16.985	-42.7

a-On shares when declared, may be lower if additional shares out by ex-dividend date.
b-Excludes initial, monthly and extra declarations. N-Monthly. NC-No change. *-Initial.
Trusts with reduced dividend underlined.

	EXCH/ SYMBOL	SHARE (000)	BOOK VALUE	ANN DIV*	EARNINGS MON ANN*	LAST PRICE	-% CHNG MON AGO	FROM-- JAN 1	P/E RATIO	ANN* YIELD	% PR TO BK	RET ON BK	MKT VA (MIL\$)
EQUITY TRUSTS													
ARLEN PROP #	O-ARLNS	1012	13.33	1.00	JUN 0.92	4.50X	-9.5	-45.5	4.9	22.2	-66.2	6.9	4.6
C I REALTY #	N-CIX	2609	21.04	0.60	MAY 0.60	4.88X	-25.5	-42.6	8.1	12.3	-76.8	2.9	12.7
CON ILL PRO#	N-CIE	4808	23.38	1.52	APR 1.56	10.88	0.0	-3.3	7.0	14.0	-53.5	6.7	52.3
DENVER REI *	O-DENV	1091	9.46	0.60	SEP 1.44	6.50	0.0	-2.0	4.5	9.2	-31.3	15.2	7.1
FEDERAL RL*	O-FDRLS	745	8.69	0.96	MAR 1.60	7.88	3.3	-14.8	4.9	12.2	-9.3	18.4	5.9
FIRST UNION#	N-FUR	3724	9.77	0.96	APR 1.12	8.38	-13.0	-19.3	7.5	11.5	-14.2	11.5	31.2
FLORIDA GLF#	O-FGLFS	975	17.21	1.28	JUL 1.40	10.00	-13.0	-23.1	7.1	12.8	-41.9	8.1	9.8
FST FIDELTY#	O-FFITS	866	11.70	0.30	MAY 0.00	3.38	-20.5	-24.9	0.0	8.9	-71.1	0.0	2.9
GENERAL GRO#	N-GGP	5560	6.45	1.08	JUN 1.16	14.13	-7.3	-4.2	12.2	7.6	119.1	18.0	78.6
GIT REALTY#	A-GIM	1095	9.26	1.20	MAR 0.80	5.00X	-12.5	-33.3	6.3	24.0	-46.0	8.6	5.5
GOULD INVST#	A-GTR	1179	7.71	0.92	JUN 1.00	6.75	0.0	-12.9	6.8	13.6	-12.5	13.0	8.0
GREIT RLY#	A-GRT	998	13.58	0.80	APR 0.60	4.56	1.3	-43.0	7.6	17.5	-66.4	4.4	4.6
HUBBARD REI	N-HRE	4004	23.43	1.60	JUL 1.60	14.00	-11.1	-18.3	8.8	11.4	-40.2	6.8	56.1
MUTUAL REIT#	O-MUTRS	1433	6.90	0.15	JUN 0.11	0.88	-12.0	-29.6	8.0	17.0	-87.2	1.6	1.3
NEW PLAN RLY	O-NPLNS	665	11.63	1.68	JAN 2.00	11.50X	1.2	-6.1	5.8	14.6	-1.1	17.2	7.6
PENN REIT #	A-PEI	1514	10.92	1.15	MAY 1.42	9.00	-10.0	-25.0	6.3	12.8	-17.6	13.0	13.6
REIT OF AMER	A-REI	1633	21.09	1.40	MAY 1.48	13.75	-0.9	-12.7	9.3	10.2	-34.8	7.0	22.5
SUMMIT PROP#	O-SMMS	1545	9.83	1.10	APR 1.08	8.25	3.1	-26.7	7.6	13.3	-16.1	11.0	12.7
WASH REIT #	A-WRE	1437	10.51	1.20	MAR 1.28	11.75	-3.1	-20.3	9.2	10.2	11.8	12.2	16.9
WISC REI FD*	O-WREI	1514	7.44	0.50	JUN 0.68	3.50	-17.6	-50.0	5.1	14.3	-53.0	9.1	5.3
GROUP AVERAGE		1920	12.67	1.00	1.09	7.97	-6.5	-20.7	7.3	12.5	-37.1	8.6	359.0
EQUITY AND MORTGAGE COMBINATION TRUSTS													
AMER REALTY#	A-ARB	2168	7.66	0.00	MAR 0.66	3.00	-14.3	-63.1	4.5	0.0	-60.8	8.6	6.5
BANKAM RLTY	O-BRLTS	3546	19.15	1.40	JUL 1.60	10.50	-15.2	-50.0	6.6	13.3	-45.2	8.4	37.2
BERG ENT RG	A-BRT	1400	9.00	0.40	MAY 0.60	2.13	-5.3	-51.4	3.5	18.8	-76.3	6.7	3.0
FLATLEY RL*	O-FLTL	1000	9.26	0.92	JUN 0.92	4.63X	5.0	-31.4	5.0	19.9	-50.0	9.9	4.6
FRANKLIN RLY	A-FR	999	9.72	0.00	MAR 0.16	3.00	-11.2	-31.5	18.8	0.0	-69.1	1.6	3.0
INDIANA M&R#	O-INDMS	1154	18.58	1.76	JUN 1.48	8.75X	-5.7	-31.4	5.9	20.1	-52.9	8.0	10.1
INVESTOR RL#	A-IRT	1579	12.02	1.20	MAY 0.88	7.50X	-8.2	-29.4	8.5	16.0	-37.6	7.3	11.8
JMB REALTY#	O-JMBRS	510	18.22	1.88	MAY 2.04	9.75	5.4	-18.8	4.8	19.3	-46.5	11.2	5.0
LINCOLN MTG*	O-LNMG	1155	8.96	0.00	DEC 0.00	0.88	-12.0	-74.0	0.0	0.0	-90.2	0.0	1.0
MILLER HEN S	O-HSMTS	560	18.20	1.22	MAY 1.20	10.00	0.0	-9.1	8.3	12.2	-45.1	6.6	5.6
NJB PRIME	A-NJB	1280	18.31	1.55	MAY 0.56	4.75	-13.6	-55.8	8.5	32.6	-74.1	3.1	6.1
NTMN ST M&R#	O-NSMRS	1023	8.08	0.00	SEP 0.69	1.00	-50.0	-81.0	1.4	0.0	-87.6	8.5	1.0
PEASE ELLIMN	A-PNE	1114	18.29	0.40	JUN 1.36	4.13	-21.3	-59.2	3.0	9.7	-77.4	7.4	4.6
RIVIERE RLY#	O-RIVI6	783	9.09	1.00	JUN 1.10	8.75	-1.5	-5.4	8.0	11.4	-3.7	12.1	6.9
RLTY INCOME	A-RI	1561	14.42	1.00	JUN 0.92	8.13	-11.0	-37.5	8.8	12.3	-43.6	6.4	12.7
SAUL (BF)REI	N-BFS	5657	15.14	1.12	JUN 0.36	6.88X	-10.5	-38.2	19.1	16.3	-54.6	2.4	38.9
US BANCORP #	A-UBT	838	23.33	1.64	MAY 2.12	13.38	1.0	-40.5	6.3	12.3	-42.6	9.1	11.2
US LSG REI #	A-USE	1348	22.14	1.88	JUN 1.96	11.25X	-11.5	-10.9	5.7	16.7	-49.2	8.9	15.2
US REALTY #	N-UTY	3434	9.41	0.80	MAR 1.10	5.63	-18.2	-45.8	5.1	14.2	-40.2	11.7	19.3
VIRGINIA RE#	O-VARES	1276	11.89	0.09	JUN 0.80	3.75	0.0	-53.1	4.7	2.4	-68.5	6.7	4.8
WALTER JIM #	O-WALUS	1035	18.27	1.80	APR 2.00	7.50	-6.3	-28.6	3.8	24.0	-58.9	10.9	7.8
GROUP AVERAGE		1591	14.24	0.96	1.07	6.44	-7.8	-37.9	6.0	14.8	-54.8	7.5	216.3
SUBORDINATED LAND TRUSTS													
CABOT LAND	N-CFT	2990	20.01	2.64	MAY 2.68	6.50	-53.6	-75.0	2.4	40.6	-67.5	13.4	19.4
ICM REALTY	A-ICM	3011	19.71	1.84	MAY 1.76	8.63	-19.7	-43.4	4.9	21.3	-56.2	8.9	26.0
PROPERTY CAP	A-PCL	2065	13.72	1.24	JUL 1.24	7.00	-11.2	-39.1	5.6	17.7	-49.0	9.0	14.5
GROUP AVERAGE		2689	17.81	1.91	1.89	7.38	-32.2	-58.0	3.9	25.8	-58.6	10.6	59.9
SHORT-TERM MTG-MTG BANKER													
ATICO MTG IN	N-ACO	2705	17.73	1.40	JUL 1.32	7.50X	-9.0	-33.3	5.7	18.7	-57.7	7.4	20.3
BAIRD & WARNR	O-BAIDS	1043	19.43	1.67	APR 1.52	5.75	-20.7	-56.2	3.8	29.0	-70.4	7.8	6.0
BARNES MTG	O-BARN	1910	18.51	0.80	JUN 0.80	4.50X	-10.5	-60.9	5.6	17.8	-75.7	4.3	8.6
CENTRAL MTG	O-CMRTS	775	18.15	1.92	JUN 1.96	10.00X	2.2	-42.0	5.1	19.2	-44.9	10.8	7.8
COLWELL MTG	N-CLM	2030	21.39	0.00	JUN 0.56	4.63	-45.5	-77.0	8.3	0.0	-78.4	2.6	9.4
FIRST CONTNL	O-FCRES	2106	10.43	1.40	MAY 1.44	6.88	-5.1	-15.4	4.8	20.3	-34.0	13.6	14.5
FRASER MTG I	O-FRASS	1038	16.86	1.64	MAY 0.32	8.50	-2.9	-17.1	26.6	19.3	-49.6	1.9	8.8
GUARDIAN MI	N-GMI	3000	28.43	2.00	MAY 2.76	6.00	-36.0	-76.0	2.2	33.3	-78.9	9.7	18.0
GULF SO MTG	A-GSR	1161	18.60	2.00	MAR 1.72	7.88	0.0	-31.5	4.6	25.4	-57.6	9.2	9.1
HAMILTON INV	O-HAMTS	2095	18.54	0.60	JUN 1.00	2.63	-49.9	-79.8	2.6	22.8	-85.8	5.4	5.5
HEITHAM MTG	A-HTM	3290	11.91	1.80	JUN 1.52	6.38	-8.9	-38.5	4.2	28.2	-46.4	12.8	21.0
JUSTICE MTG	N-JMI	1184	18.38	1.00	JUN 1.00	6.88	-25.6	-68.9	6.9	14.5	-62.6	5.4	8.1
KMC MTG IN	O-KMTGS	1100	13.68	0.48	MAY 0.48	3.00	-25.0	-58.6	6.3	16.0	-78.1	3.5	3.3
LARNIN MTG I	N-LWN	2009	18.48	0.00	MAR 1.36	3.50	-28.3	-75.4	2.6	0.0	-81.1	7.4	7.0
LOMAS & NTLN	N-LOM	3700	33.27	3.40	JUN 3.20	14.25X	-17.8	-54.0	4.5	23.9	-57.2	9.6	52.7
M&T MTG INV	O-MTMIS	1482	10.26	1.04	MAY 1.16	5.25	-16.0	-19.2	4.5	19.8	-48.8	11.3	7.8
MIDLAND MTG	N-MMT	2379	13.11	1.00	JUN 0.00	5.25X	-13.8	-54.9	0.0	19.0	-60.0	0.0	12.5
NATIONAL MTG	N-NMF	2352	10.53	1.00	MAY 1.56	3.75	-6.3	-64.7	2.4	26.7	-64.4	14.8	8.8
NO AMER MTG#	N-NAM	4403	14.54	2.16	JUN 2.16	7.75X	-30.9	-62.2	3.6	27.9	-46.7	14.9	34.1
PALOMAR MTG	A-PMI	1812	11.73	0.00	MAY 0.00	1.88	-6.0	-68.7	0.0	0.0	-84.0	0.0	3.4
SUTRO MTG IN	N-SUT	2322	16.50	0.80	JUN 1.24	5.38X	-10.7	-45.5	4.3	14.9	-67.4	7.5	12.5
TEXAS 1ST MT	O-TFMRS	1055	18.20	0.48	JUN 0.80	6.25X	-29.2	-58.0	7.8	7.7	-65.7	4.4	6.6
TMC MTG INV	A-TMG	800	19.17	4.04	JUN 4.16	10.00X	-18.4	-46.7	2.4	40.4	-47.8	21.7	8.0
UNIONAM M&EQ	A-UAT	2109	18.80	0.88	MAY 0.80	4.00	-18.0	-67.7	5.0	22.0	-78.7	4.3	8.4
GROUP AVERAGE		1994	17.36	1.31	1.37	6.16	-18.5	-56.2	4.5	21.3	-64.5	7.9	302.3

#CASH FLOW. *GROSS CASH FLOW. @CASH FLOW INCLUDING DEBT DISCOUNT. ■FULLY DILUTED EARNINGS.
Q-LAST TRADING PRICE. CITIZENS GROWTH PROPERTIES DELETED, NO MARKET.
GALBREATH FM CHANGED TO NATIONWIDE REI. GULF SOUTH EARNINGS AND BOOK VALUE FROM SEC FILING.

	EXCH/ SYMBOL	SHARE (000)	BOOK VALUE	ANN DIV*	EARNINGS MON ANN*	LAST PRICE	-% CHNG MON AGO	FROM-- JAN 1	P/E RATIO	ANN* YIELD	% PR TO BK	RET ON BK	MKT VA (MIL\$)
SHORT-TERM MTG-INDEPENDENT													
CAPITAL MT	N-CMU	1675	23.05	0.68	JUN 0.68	4.50	-33.3	-71.7	6.6	15.1	-80.5	3.0	7.5
CONTINL MT	N-CMI	20838	8.42	0.00	JUN 0.08	1.50	-29.6	-78.6	18.8	0.0	-82.2	1.0	31.3
FIRST MTG IN	N-FIM	8495	14.09	0.00	APR 0.08	2.38	-13.5	-72.0	29.8	0.0	-83.1	0.6	20.2
MTG INV WASH	O-MINVS	2144	13.98	1.00	JUN 1.16	6.88X	-4.9	-47.6	5.9	14.5	-50.8	8.3	14.8
REPUBLIC MI	N-RMI	2107	18.24	0.00	JUN 0.64	3.88	-20.5	-67.0	6.1	0.0	-78.7	3.5	8.2
WESTERN MI	O-WMTGS	1001	9.07	0.66	MAY 0.64	4.25	-8.2	-39.3	6.6	15.5	-53.1	7.1	4.3
GROUP AVERAGE		6043	14.47	0.39	0.55	3.90	-17.5	-63.0	7.1	10.0	-73.1	3.8	86.2
SHORT-TERM MTG-COMCL BANK													
AMER FLECHR	A-AFM	1352	25.48	2.85	JUL 2.88	13.88	4.8	-39.0	4.8	20.5	-45.5	11.3	18.8
BARNETT MTG	N-BMT	2174	25.36	0.72	JUN 1.72	5.88X	-45.6	-73.0	3.4	12.2	-76.8	6.8	12.8
CAMERON-BRW	N-CB	2022	21.69	0.00	JUN 0.20	3.75	-33.4	-67.8	18.8	0.0	-82.7	0.9	7.6
CHASE MAN MT	N-CMR	4883	30.08	3.60	FEB 4.60	13.25X	-9.5	-66.8	2.9	27.2	-56.0	15.3	64.7
CITINATL DEV	O-CIT16	600	18.47	1.00	JUN 2.08	3.50X	-16.7	-62.2	1.7	28.6	-81.1	11.3	2.1
CITIZENS MI	N-CZM	1421	14.21	1.78	JUN 0.76	5.00	-9.1	-61.2	6.6	35.6	-64.8	5.3	7.1
CITZNS&SO RL	N-CZS	3829	22.71	2.80	JUN 2.80	9.88	-24.8	-66.4	3.5	28.3	-56.5	12.3	37.8
COMMONLTH NTL	O-CWNRS	760	15.47	1.20	MAY 0.00	4.50	-14.3	-76.3	0.0	26.7	-70.9	0.0	3.4
CONT ILL RLY	N-CIR	2797	18.53	1.36	JUN 1.36	5.50X	-19.4	-60.0	4.0	24.7	-70.3	7.3	15.4
FST COMMERCE	O-FCRNS	1008	23.55	2.40	JUN 2.84	8.50X	-13.3	-45.2	3.0	28.2	-63.9	12.1	8.6
FST DENVR MI	A-FDE	1621	18.87	1.60	JUN 1.72	6.63	-31.2	-63.2	3.9	24.1	-64.9	9.1	10.7
FST PENN MT	N-FPM	2961	20.80	1.76	JUL 0.00	6.75X	-15.4	-46.6	0.0	26.1	-67.5	0.0	20.0
FST WISCN MT	N-FWM	1910	29.49	0.00	DEC 0.00	9.25	0.0	-59.6	0.0	0.0	-68.6	0.0	17.7
INDEPEND MTG	O-IMTGS	2500	18.48	0.00	MAR 0.00	1.63	-34.8	-77.5	0.0	0.0	-91.2	0.0	4.1
TRI-SOUTH MI	N-TSI	2260	22.20	0.80	JUN 2.00	7.75	-15.1	-67.5	3.9	10.3	-65.1	9.0	17.5
WACHOVIA RLY	N-WRI	3335	18.73	1.60	MAY 1.52	7.25	-16.0	-56.7	4.8	22.1	-61.3	8.1	24.2
WELLS FAR MI	N-WFM	3911	18.31	0.80	JUN 0.80	6.75X	-22.8	-55.0	8.4	11.9	-63.1	4.4	26.4
GROUP AVERAGE		2314	21.32	1.43	1.49	7.04	-17.4	-61.7	4.7	20.3	-67.0	7.0	298.8
SHORT-TERM-MISC FINCL													
AMER CENTURY	N-ACT	2607	20.93	0.00	MAR 0.00	3.75	0.0	-58.9	0.0	0.0	-82.1	0.0	9.8
BENEF STD MI	N-BSM	1354	21.98	3.08	APR 3.16	10.88	-20.2	-38.7	3.4	28.3	-50.5	14.4	14.7
BUILDERS INV	N-BSG	2929	22.63	2.13	JUN 3.28	5.50	-45.0	-76.7	1.7	38.7	-75.7	14.5	16.1
CI MTG GROUP	N-CI	4812	18.83	1.20	APR 1.48	3.25	-38.1	-70.1	2.2	36.9	-82.7	7.9	15.6
DOMINION M&R	O-DMRTS	639	10.12	0.91	MAY 1.60	3.50X	-12.3	-75.9	2.2	26.0	-65.4	15.8	2.2
FIDELITY MI	N-FID	3046	17.71	0.00	JUL 0.00	2.50	-4.9	-63.7	0.0	0.0	-85.9	0.0	7.6
GRT AMER MI	N-GAA	4455	17.08	2.40	APR 2.92	3.75	-36.2	-87.5	1.3	64.0	-78.0	17.1	16.7
HANOVER SQ R	O-HASQS	946	19.60	2.32	MAY 2.16	8.50	3.0	-38.2	3.9	27.3	-56.6	11.0	8.0
IDS RLTY TR	N-IDR	2409	21.80	3.36	JUL 3.16	15.50	-3.1	-42.3	4.9	21.7	-28.9	14.5	37.3
INSTITUTAL	N-INV	6074	13.47	1.20	APR 1.24	3.88	-8.7	-55.7	3.1	30.9	-71.2	9.2	23.6
MTG TRUST AM	N-MT	3860	18.87	1.04	MAY 1.04	5.38	4.9	-32.8	5.2	19.3	-71.5	5.5	20.8
NATIONWID RE	O-NKELS	1047	24.58	1.00	JUN 1.00	6.75	-12.9	-15.6	6.8	14.8	-72.5	4.1	7.1
GROUP AVERAGE		2848	18.97	1.55	1.75	6.09	-15.4	-58.9	3.5	25.5	-67.9	9.2	179.6
INTERMEDIATE-TERM MORTGAGES													
ALISON MTG I	N-AMV	2339	20.68	3.12	APR 3.12	9.63	-30.0	-45.0	3.1	32.4	-53.4	15.1	22.5
BARNET-WINST	O-BWITS	1663	18.09	1.60	JUN 1.60	6.13X	-20.8	-61.1	3.8	26.1	-66.1	8.8	10.2
DIVERSIFD MI	N-DMG	7327	20.19	0.68	JUN 1.16	4.13	-13.1	-72.9	3.6	16.5	-79.5	5.7	30.3
FST VIRGINIA	A-FVM	1208	23.32	1.20	JUN 0.00	5.00X	-9.9	-55.6	0.0	24.0	-78.6	0.0	6.0
RLTY REFUND	A-RRF	1045	18.60	2.00	JUL 2.00	11.00	-13.7	-30.2	5.5	18.2	-40.9	10.8	11.5
SECURITY MTG	A-SMO	6787	10.66	0.00	JUN 0.00	1.63	-45.7	-72.3	0.0	0.0	-84.7	0.0	11.1
GROUP AVERAGE		3395	18.59	1.43	1.31	6.25	-21.0	-53.9	4.8	22.9	-66.4	7.1	91.6
LONG-TERM MTG & EQUITIES													
ATLANTA NATL	O-ATNAS	1260	18.58	1.92	MAY 1.92	6.75	8.0	-30.8	3.5	28.4	-63.7	10.3	8.5
BT MTG INVT	N-BTM	2116	13.72	1.00	JUN 1.08	5.13X	-23.1	-71.7	4.8	19.5	-62.6	7.9	10.9
CLEVETRST RL	O-CTRIS	2525	18.36	0.40	JUN 0.40	4.50X	-31.9	-68.4	11.3	8.9	-75.5	2.2	11.4
CON GEN M&R	N-CGM	5712	23.20	1.80	JUN 1.60	13.25	0.0	-22.7	8.3	13.6	-42.9	6.9	75.7
COUSINS M&EQ	N-CUZ	3854	20.83	0.80	MAY 0.80	5.25	-10.7	-74.1	6.6	15.2	-74.8	3.8	20.2
EQUIT LF MTG	N-EQ	5597	24.14	2.00	JUL 1.92	14.00	-5.9	-33.3	7.3	14.3	-42.0	8.0	78.4
FIDELCO GROW	A-FGI	1580	25.72	2.56	MAY 2.72	8.50	-17.1	-58.5	3.1	30.1	-67.0	10.6	13.4
FST MEMPHIS	O-FMEMS	1156	18.05	1.40	MAY 1.40	7.25	-17.1	-54.7	5.2	19.3	-59.8	7.8	8.4
GULF MTG&RLY	N-GMR	2210	18.94	1.40	MAY 1.60	5.00	-24.6	-59.6	3.1	28.0	-73.6	8.4	11.0
HNC MTG&RLY	O-HNCMS	2388	20.13	0.40	JUL 0.40	2.75	-45.0	-71.1	6.9	14.5	-86.3	2.0	6.6
HOSPITAL MTG	A-HMG	1178	23.06	1.68	MAY 1.68	7.13	5.6	-40.0	4.2	23.6	-69.1	7.3	8.4
HOTEL INVSTR	A-HOT	1536	20.43	2.04	MAY 1.60	8.25	0.0	-35.3	5.2	24.7	-59.6	7.8	12.7
LARWIN RLTY	A-LRM	3610	18.61	1.22	MAY 1.20	5.50	-4.3	-38.9	4.6	22.2	-70.4	6.4	19.9
MASSMUT MTG	N-MML	4670	23.78	1.72	APR 1.80	9.13	-14.1	-35.4	5.1	18.8	-61.6	7.6	42.6
MONY MTG INV	N-MYM	8825	9.89	0.72	MAY 0.76	5.25	-17.7	-23.7	6.9	13.7	-46.9	7.7	46.3
MTG GROWTH I	A-MTG	2652	12.53	1.00	MAY 1.00	4.63	-15.8	-40.3	4.6	21.6	-63.0	8.0	12.3
NOWSTRN FINC	O-NFINS	1510	17.79	1.20	JUN 1.38	5.75	-4.2	-53.1	4.2	20.9	-67.7	7.8	8.7
NOWSTRN MUTL	N-NML	4756	19.86	1.68	JUN 1.68	13.63	-6.0	-38.7	8.1	12.3	-31.4	8.5	64.8
OLD STONE M	O-OSMRS	811	13.75	0.96	JUN 1.28	5.00	-16.7	-60.8	3.9	19.2	-63.6	9.3	4.1
PACIFIC STHN	O-PSMTS	814	13.62	1.00	JUN 0.96	6.13	0.0	-16.9	6.4	16.3	-55.0	7.0	5.0
PNB MTG&RLY	N-PNI	2437	18.74	1.00	JUN 1.00	5.25	-23.7	-69.1	5.3	19.0	-72.0	5.3	12.8
RAM PACIFIC	O-RPACS	1889	19.23	1.68	MAY 1.64	9.00	-2.7	-28.7	5.5	18.7	-53.2	8.5	17.0
STATE MUTUAL	N-SMU	2786	19.58	1.60	JUN 1.60	6.50	-18.8	-51.4	4.1	24.6	-66.8	8.2	18.1
GROUP AVERAGE		2864	18.81	1.36	1.37	7.11	-11.3	-48.7	5.2	19.1	-62.2	7.3	517.1

AFTER SPECIAL ADDITIONS TO LOSS RESERVES: FIRST VA., \$2.2M; BARNES, \$0.5M; HNC, \$0.9M; CITIZENS MTG., \$0.3M; KMC, \$0.2M; TEXAS FIRST, \$0.2M; FIRST PA., \$2.8M; CLEVETRST, \$0.25M; MIDLAND, \$1.0M.

WARRANTS

NAME	EXCH/ SYMBOL	EXP DATE	OUT (000)	EXER PRICE	NO. SH.	WTS PRICE	STK PRICE	CONV PREM	% CHG	MKT VA (MIL\$)
ALISON MTG	O-ALIS5	12/75	19	19.00	1.0	0.75	9.63	105.1	0.0	0.0
ALISON MTG(B)	O-ALISW	12/76	396	27.50	1.0	0.38	9.63	189.5	-39.7	0.2
AMER CENTURY	A-ACTW	6/78	897	23.00	1.0	0.25	3.75	520.0	0.0	0.2
AMER FLETCHER	A-AFMW	2/78	488	25.00	1.0	0.88	13.88	86.5	57.1	0.4
AMER REALTY	A-ARBW	9/76	1098	9.63	1.0	0.44	3.00	235.7	76.0	0.5
ATICO MTG IN	A-ACOW	12/79	563	15.00	1.0	1.50	7.50	120.0	-8.0	0.8
ATICO MTG(B)	O-ATIC5	4/81	358	21.00	1.0	0.25	7.50	183.3	0.0	0.1
ATLANTA NATL	O-ATNAW	8/76	1260	20.00	1.0	0.25	6.75	200.0	0.0	0.3
BARNES MTG	O-BARNW	12/77	1910	20.00	1.0	0.25	4.50	350.0	-34.2	0.5
BARNETT MTG	O-BMTRW	4/80	559	20.00	1.0	0.63	5.88	250.9	-64.0	0.4
BARNETT-WINST	O-BWITW	7/77	1657	20.00	1.0	0.25	6.13	230.3	-34.2	0.4
BENEF STD (B)	O-BSMB5	3/77	285	27.75	1.0	0.38	10.88	158.5	0.0	0.1
BENEF STD MT	A-BSMW	7/75	554	20.00	1.0	1.13	10.88	94.2	0.0	0.6
BERG ENT RG	A-BRTW	11/77	1400	10.00	1.0	0.19	2.13	378.4	-24.0	0.3
BT MTG INV	O-BTMGW	1/77	425	24.00	1.0	0.25	5.13	372.7	-50.0	0.1
BUILDER IN	O-BULDW	12/86	1955	25.00	1.0	0.75	5.50	368.2	-25.0	1.5
CAMERON-BRW	O-CMRNW	11/76	1477	23.51	1.1	0.06	3.75	528.4	-53.8	0.1
CAPITAL MTG	O-CMORW	11/79	471	20.00	1.0	0.50	4.50	355.6	100.0	0.2
CENTRAL MTG	O-CMRTW	3/77	775	20.00	1.0	0.38	10.00	103.8	0.0	0.3
CI MTG GROUP	A-CI.W	3/77	2854	20.00	1.0	0.56	3.25	532.6	-18.8	1.6
CI REALTY IN	O-CIRLW	3/77	2609	25.00	1.0	0.02	4.88	412.7	-33.3	0.1
CITINATL DEV	O-CITIS	4/75	600	20.00	1.0	0.01	3.50	471.7	0.0	0.0
CITIZENSMTG	A-CZMW	1/77	693	15.00	1.0	0.56	5.00	211.2	12.0	0.4
CITZNS & SO	O-CSRIW	10/75	550	20.00	0.5	1.13	9.88	125.3	0.0	0.6
CLEVELTRST RL	O-CTRIW	1/76	2507	20.00	1.0	0.25	4.50	350.0	0.0	0.6
COLWELL M(B)	O-CLWLW	9/76	296	31.38	1.0	0.05	4.63	578.8	-66.7	0.0
COLWELL MTG	A-CLMW	12/74	225	20.00	1.0	0.50	4.63	342.8	-52.8	0.1
CONT ILL RLY	O-CONIS	4/76	179	20.00	1.0	0.13	5.50	266.0	-48.0	0.0
COUSINS MTG	A-CUZW	2/77	740	24.63	1.0	0.81	5.25	384.6	-8.0	0.6
DENVER REIA	O-DENV5	5/76	177	11.00	1.0	0.25	6.50	73.1	92.3	0.0
DOMINION (B)	O-DMRTZ	10/87	550	17.75	1.0	0.25	3.50	414.3	92.3	0.1
DOMINION M&R	O-DMRTW	6/76	397	12.00	1.0	0.50	3.50	257.1	0.0	0.2
FEDERAL RLT	O-FDLRW	12/76	230	10.00	1.0	0.13	7.88	28.6	0.0	0.0
FIDELCO GROW	A-FGIW	9/75	136	25.00	1.0	1.06	8.50	206.6	-26.4	0.1
FIDELITY MTG	O-FIDE5	3/79	154	22.25	1.0	0.25	2.50	800.0	92.3	0.0
FIR MEMPHIS	O-FMEMW	2/78	1124	20.00	1.0	0.38	7.25	181.1	0.0	0.4
FIRST DENVER	A-FDEW	10/75	1398	20.00	1.0	0.63	6.63	211.2	-16.0	0.9
FIRST PEN(B)	O-FPMTZ	9/75	540	28.25	0.5	0.10	6.75	321.5	0.0	0.1
FIRST PENN	O-FPMTW	7/77	1503	20.00	0.5	0.13	6.75	200.1	0.0	0.2
FIRST UNION	O-FUREW	12/76	600	12.75	1.0	0.13	8.38	53.7	-65.8	0.1
FIRST VA MTG	A-FVMW	5/77	1208	25.00	1.0	0.38	5.00	407.6	0.0	0.5
FLATLEY RLT	O-FLTLW	5/75	1000	10.00	1.0	0.38	4.63	124.2	0.0	0.4
GUARDIAN MI*	A-GMIW	5/76	241	36.00	1.0	0.88	6.00	514.7	-41.3	0.2
GULF MTG&RL*	A-GMRW	3/76	2210	20.00	1.0	0.38	5.00	307.6	0.0	0.8
GULF SO MTG	A-GSRW	2/77	759	20.00	1.0	0.63	7.88	161.8	0.0	0.5
HAMLTON INV	O-HAMTZ	5/83	2094	20.00	1.0	0.13	2.63	665.4	-48.0	0.3
HOSPITAL MTG	A-HMGW	2/77	1178	25.00	1.0	0.25	7.13	254.1	-19.4	0.3
IDS RLT TR	O-IDSRW	2/77	1406	25.00	0.5	0.75	15.50	71.0	0.0	1.1
INDEPEN MTG	O-IMTGW	6/75	2500	25.00	1.0	0.13	1.63	1441.7	0.0	0.3
INDIANA M&R	O-INDMW	6/77	1141	20.00	0.5	0.25	8.75	134.3	0.0	0.3
JMB REALTY	O-JMBRW	8/77	510	20.00	1.0	0.25	9.75	107.7	0.0	0.1
JUSTICE MI	O-JUSTW	1/76	942	20.00	1.0	0.63	6.88	199.9	-16.0	0.6
JUSTICE MTG	O-JUSTZ	1/79	300	25.75	1.0	0.50	6.88	281.5	0.0	0.1
KMC MTG IN	O-KMTGW	12/76	1100	15.00	1.0	0.06	3.00	402.0	0.0	0.1
LARWIN MTG	O-LWN5	4/77	700	32.00	1.0	0.13	3.50	818.0	30.0	0.1
LARWIN RLT	A-LRMW	12/76	3610	20.00	1.0	0.25	5.50	268.2	-19.4	0.9
M&T MTG INV	O-MTMIZ	8/75	747	13.00	1.0	0.06	5.25	148.8	0.0	0.0
MIDLAND MTG	O-MIDMW	9/76	239	12.50	1.0	0.63	5.25	150.1	26.0	0.2
MTG INV WASH	O-MINWV	3/80	931	15.00	1.0	0.38	6.88	123.5	-24.0	0.4
MTG TRUST AM	O-MORTW	11/77	2482	19.00	1.0	0.25	5.38	257.8	92.3	0.6
NATIONAL MTG	O-NMTGW	3/79	251	10.00	1.0	0.25	3.75	173.3	0.0	0.1
NATIONWID RE	O-NRELW	1/76	652	32.00	1.0	0.13	6.75	376.0	116.7	0.1
NO AMER MTG	O-NOAM5	12/74	77	24.00	1.0	0.50	7.75	216.1	0.0	0.0
NO STATES MR	O-NSMRW	6/77	481	10.00	1.0	0.01	1.00	901.0	0.0	0.0
NORTH AM MTG	A-NAMR5	3/79	710	31.13	1.0	0.88	7.75	313.0	-22.1	0.6
NOWSTRN FNC	O-NFINW	11/77	1510	20.00	1.0	0.13	5.75	250.1	-48.0	0.2
OLD STONE MT	O-OSMRW	3/77	600	16.00	1.0	0.13	5.00	222.6	-48.0	0.1
PALOMAR MTG	A-PMIW	3/77	604	16.50	1.0	0.25	1.88	791.0	0.0	0.2
PEASE ELLIMN	A-PNEW	11/77	1113	18.50	1.0	0.38	4.13	357.1	0.0	0.4
PNB MTG&RLTY	A-PNIW	12/77	1220	20.00	1.0	0.50	5.25	290.5	0.0	0.6
REPUBLIC MI	A-RMIW	6/79	1064	20.00	1.0	0.50	3.88	428.4	-20.6	0.5
RLTY REFUND	O-RREFW	6/77	1013	20.00	1.0	0.13	11.00	83.0	-48.0	0.1
SECURITY MT*	A-SMOW	5/79	3117	16.00	1.0	0.19	1.63	893.3	-38.7	0.6
SUTRO MIT(B)	A-SUTW	6/77	700	20.00	1.0	0.50	5.38	281.0	-10.7	0.3
SUTRO MTG IN	O-SUTR5	4/76	299	22.00	1.0	0.10	5.38	310.8	-60.0	0.0
TEXAS 1ST MT	O-TFMRW	6/76	1055	20.00	1.0	0.19	6.25	223.0	0.0	0.2
TRI-SOUTH MI	O-TSMGW	12/74	418	20.00	0.5	0.25	7.75	164.5	0.0	0.1
UNIONAM M&E	O-UAT5	12/74	131	20.00	1.0	0.19	4.00	404.7	-50.0	0.0
US LSG REI	A-USEW	12/80	1348	25.00	1.0	0.69	11.25	128.4	-14.8	0.9
WALTER JIM	O-WALJW	7/77	1035	18.50	1.0	0.13	7.50	148.4	-48.0	0.1
WELLS FARGO	O-WELLW	7/77	3458	20.00	0.5	0.25	6.75	203.7	-34.2	0.9

*DEBENTURES USABLE IN LIEU OF CASH.
 EXTENSIONS: AMER. CENTURY, AMER. FLETCHER.
 0=LAST TRADING PRICE.
 GALBREATH FM CHANGED TO NATIONWIDE REI
 CITIZENS GROWTH- NO MARKET

CONVERTIBLE DEBENTURES

DEBENTURE	EX	MAT	INT (%)	CONV AT	RECENT PRICE	YIELD (%)	% CHNG
ALISON MTG	AS	'91	6.75	27.50	51.00	13.2	0.0
AMER CENTURY	AS	'90	7.00	21.00	51.50	13.6	-2.8
AMER CENTY'B	NY	'91	6.75	28.00	36.25	18.6	-19.0
AMER REALTY	OC	'84	7.00	10.67	37.00	18.9	0.0
BAIRD & WARNER	OC	'91	6.75	21.00	45.00	15.0	40.6
BANKAMERICA	OC	'90	6.75	21.00	68.00	9.9	3.0
BENEF STD MI	AS	'91	6.50	27.75	44.00	14.8	-4.3
CAPITAL MTG	OC	'91	6.50	31.95	27.00	24.1	0.0
CHASE MANHTN	NY	'96	6.50	55.00	51.00	12.7	5.2
COLWELL MTG	OC	'91	6.50	29.38	45.00	14.4	0.0
CONN GENERAL	NY	'96	6.00	32.50	54.00	11.1	6.7
CONTNTL MTG	NY	'90	6.25	19.79	33.25	18.8	-7.6
EQUITBL LF M	NY	'90	6.75	26.25	63.00	10.7	-13.9
FIDELITY MI	AS	'85	7.75	21.25	27.50	28.2	-16.0
FIRST PENN M	OC	'91	6.75	26.00	46.00	14.7	0.0
FIRST UNION	NY	'91	7.00	13.00	68.00	10.3	-7.0
FRANKLIN RLY	AS	'89	7.00	10.00	47.25	14.8	7.4
GALBREATH	OC	'91	7.00	28.50	53.00	13.2	-5.4
GRT AMER MI	OC	'91	7.00	35.50	30.00	23.3	-10.4
HANOVER SQ R	OC	'92	7.25	21.00	49.00	14.8	-2.0
HEITMAN MTG	AS	'92	7.50	14.70	46.50	16.1	-4.6
HNC MTG	OC	'91	6.75	21.00	30.00	22.5	-21.1
HOTEL INVSTR	OC	'90	7.75	21.00	44.50	17.4	-3.3
HOTEL INVTRS	OC	'91	7.50	25.25	42.25	17.8	0.6
LINCOLN MTG	OC	'90	8.00	11.00	30.00	26.7	0.0
MASSMUTL MTG	NY	'90	6.75	21.00	63.00	10.7	-7.4
MASSMUTUAL M	NY	'91	6.25	33.50	48.00	13.0	-5.0
MIDLAND MTG	OC	'86	7.00	16.67	40.00	17.5	-11.1
MONY MTGIN	NY	'90	7.00	11.00	67.50	10.4	-3.6
MTG INV WASH	OC	'90	8.00	15.00	55.00	14.5	5.8
NATIONAL MTG	OC	'91	7.00	12.00	25.00	28.0	0.0
NJB PRIME	AS	'91	6.75	21.00	45.00	15.0	-6.7
NOWSTRN MUTL	NY	'91	6.00	21.00	66.50	9.0	3.1
OLD STONE MT	OC	'87	6.88	15.00	44.00	15.6	-12.0
RAM PACIFIC	OC	'91	6.75	21.00	52.00	13.0	-1.9
REALTY INCOM	AS	'91	8.00	16.50	60.00	13.3	-3.2
REPUBLIC MI	NY	'90	7.25	19.00	79.50	9.1	3.2
SAUL (BF) RL	OC	'91	6.50	23.00	53.00	12.3	6.0
SAUL (BF) REI	OC	'90	8.00	15.50	55.00	14.5	3.8
STATE MUTUAL	AS	'91	6.75	21.00	45.38	14.9	-4.5
SUTRO MIT	NY	'82	6.75	20.00	52.00	13.0	-5.5
SUTRO MTG	AS	'91	6.75	20.00	42.00	16.1	-7.2
TRI-SOUTH MI	NY	'92	7.00	29.50	48.00	14.6	-18.6
US BANCORP	AS	'92	7.00	26.25	70.00	10.0	-2.8
US REALTY IN	NY	'89	5.75	20.20	42.00	13.7	-6.7

GENERAL FOOTNOTES

*COLUMNS ANNUALIZED-QUARTER MULTIPLIED BY FOUR. #CASH FLOW. X-EX DIVIDEND. @CASH FLOW INCLUDING DEBT DISCOUNT AMORTIZATION. SYMBOLS SHOWN ARE TICKER SYMBOLS FOR LISTED ISSUES AND NASDAQ SYMBOLS WHERE AVAILABLE. ALL OTHERS ARE FOR COMPUTER IDENTIFICATION.

LISTING OF PRIMARY AND DILUTED EARNINGS

Warrants only: Amer. Fletcher, \$2.88 primary & \$2.88 diluted; BT, \$1.08 & \$1.04; Builders Inv., \$4.28 & \$3.48 (Mar); CI Mtg., \$1.48 & \$1.48; Citizens Mtg., \$1.88 & \$1.68 (Mar); CleveTrust, \$0.40 & \$0.40; Cousins Mtg., \$0.80 & \$0.80; Dominion, \$1.60 & \$1.68; Fidelity, \$3.28 & \$3.28 (Feb); Ist. Memphis, \$1.40 & \$1.40; First Denver, \$1.72 & \$1.72; Hospital Mtg., \$1.92 & \$1.92; IDS Rlty, \$3.16 & \$3.08; Mtg. Trust Amer., \$1.04 & \$1.04; MT, \$1.16 & \$1.16; PNB \$2.04 & \$2.04; Realty ReFund, \$2.32 & \$2.16 (Oct); Security Mtg., \$0.52 & \$0.52; Texas Ist, \$2.04 & \$2.04; Unionamerica, \$1.76 & \$1.76 (Feb); Wells Fargo, \$2.08 & \$2.08.

Warrants and Convertibles: Alison, \$3.12 & \$3.04; Atico, \$1.32 & \$1.32; Barnett, \$3.04 & \$1.52 (Mar); Barnett-Winston, \$2.24 & \$1.36 (Mar); Ben. Std., \$3.16 & \$2.80; Capital, \$0.68 & \$0.68; Citizens & So., \$2.80 & \$1.84; Colwell, \$0.56 & \$0.56; First Pa., \$2.20 & \$2.20; Galbreath, \$1.04 & \$1.04 (Mar); Great American, \$2.92 & \$2.92; Guardian, \$2.76 & \$2.76; Midland, \$1.60 & \$1.52; Mtg. Inv. Wash., \$1.72 & \$1.64 (Mar); Nat'l. Mtg., \$1.56 & \$1.48; Republic, \$1.28 & \$1.28 (Mar); Sutro, \$0.92 & \$0.92 (Mar); Tri-So., \$2.00 & \$2.00.

HOW TO USE COMPARATIVE TRUST STATISTICS

The data inside are intended to facilitate comparison of relative efficiency of trust management with funds available during the latest period. Every effort has been made to present data for that purpose. Readers should note that the data are historical and not projections of future trends. This holds especially for dividends, which vary with each quarter's earnings for most mortgage trusts and thus are not to be considered in any way as guaranteed yields.

The heart of the comparisons is annualization of current earnings and dividend rates. For mortgage trusts, this is done by multiplying the latest quarter by four without seasonal adjustment. These earnings are adjusted for conversion of debt (i.e., fully diluted) but not for exercise of warrants, as described below. For equity trusts, net cash flow (defined as earnings plus depreciation and non-cash charges minus mortgage amortization) has been used and any known seasonal factors applied. The symbol "#" denotes use of cash flow in the earnings columns. Group averages may be reduced to the extent new trusts are included in any given group.

The number of shares outstanding is the number issued as of the latest balance sheet and is not adjusted for conversion or exercise of warrants. Book value per share however is adjusted for conversion of all convertible debentures. It does not reflect changes for any exercise of warrants nor does it reflect any adjustment for any changes in asset values through appreciation or losses.

Four standard comparisons are presented: price changes since the last issue; price/earnings ratios and estimated dividends based upon current market prices; and percentage of market price to book value. All values are positive unless indicated.

The fifth comparison, return on book value, measures management's performance with available funds. Because of the increasing complexity of trust capital structures, the computations are made in the following manner for trusts with these capital structures:

Convertible debentures only: Fully diluted earnings are compared with fully converted book value per share, since funds from convertibles are at work.

Warrants only: Primary earnings per share are compared with book value without assuming warrant exercise, since again this measures funds actually in use. Trusts in this category currently reporting significant differences and their primary and diluted earnings annual rates are listed at left.

Both warrants and convertibles: Fully converted book value is used. Primary earnings are being used because these are closest to converted earnings. Data for these trusts are slightly overstated. Where primary numbers are well above the dividend, the dividend is used and so noted. Trusts in this category are listed at left.